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C O N F I D E N T I A L SECTION 01 OF 02 ANKARA 007041

E.O. 12958: DECL: 12/17/2014

TAGS: <u>ELAB ETRD IZ PREL PTER TU</u>
SUBJECT: TURKISH TRUCKERS' STRIKE DRAGS ON -- CONCERNS

RAISED ABOUT SOMO'S ROLE

Classified By: DCM Robert Deutsch for reasons 1.4 (b) and (d).

(C) Striking Turkish truckers continue to block fuel deliveries to Iraq, and after 10 days, there is no indication that the shipping contractors and striking truckers have begun talks to settle the strike. The lead Turkish contractor, Petrol Ofisi, told us that they and the other Turkish contractors working for SOMO have found it difficult to communicate with SOMO and have not received authorization to proceed with talks. The contractors think that the strike is controlled by a few influential leaders/clans and enforced with threats. They think that many strikers will want to They think that many strikers will want to return to work in the next few days. Embassy Ankara will continue to monitor the situation but will not attempt to get involved in strike negotiations, and we have not asked Turkish authorities to intervene. Embassy would appreciate a read-out from SOMO on their thinking regarding the strike and a broader analysis of the impact the suspension of fuel supplies will have on our troops and the Iraqi public. End Summary.

And the Strike Goes On

- (C) Observers at the Iraq-Turkey border, at loading depots in Iskenderun and Mersin, as well as officials from the largest Turkish contractor Petrol Ofisi and DESC confirm that the strike continues and is effective in stopping deliveries of all fuel to Iraq, with the exception has been JP-8 deliveries. (See para 5.) Petrol Ofisi told us that they have had a difficult time communicating with SOMO. The contractors are skeptical that SOMO will increase the contracts to cover higher payments to truckers needed to negotiate a settlement, so they are content, for the time being, to wait. MFA Iraq desk director Botsali told us Dec. 17 that many of the truckers were getting desperate for income and would quit the strike in a matter of days.
- (C) The contractors are convinced that the strike was engineered and enforced by a small number of powerful leaders who head relatively large clan-based trucking companies. It is likely that these are the same clans that engineered the short -- and for truckers lucrative -- strike in November 12003. Adana Consul visited the loading depot in Iskenderun and ran into trucker representatives, who were desperate to have someone to negotiate with. Petrol Ofisi officials believe that many truckers will begin defecting from the strike in a few days. Most of the truckers are poor, have no other employment options and many may be making payments on new equipment purchases, according to Petrol Ofisi officials.

More Complaints About SOMO

 $\P4$ . (C) DCM met with newly appointed MFA Deputy U/S for Economic Affairs Arat, who complained that it takes SOMO two months to pay for fuel shipments from Turkey. He implied that the complex approval process and two-month payment delay contributed to the strike because they made it harder for SOMO's Turkish contractors to pay more to truckers. We urged Arat to share the complaints with the IIG. (Embassy will e-mail non-paper to EUR/SE and Embassy Baghdad.)

JP-8

15. (C) Until a few days ago, the strike had not affected JP-8 deliveries to Iraq. JP-8 is loaded at Coco, about 10 KM from Incirlik, through a spur off the Mersin NATO fuel line. Petrol Ofisi uses a small number of truckers from a company in Konya for the JP-8 deliveries. (Note: most of the drivers delivering to Iraq are Kurds from southeast Turkey.) The strike leaders may not be aware of the separate JP-8 facility. However, JP-8 deliveries have begun to be Strike enforcers reportedly positioned along the road near the Iraq border crossing reportedly stopped and threatened JP-8 truckers in Cizre. Petrol Ofisi told their drivers not to continue their deliveries. In addition, Petrol Ofisi has been forced to reduce its loading rate from 60/day to 40/day recently because so many of its  $\hat{\text{JP-8}}$  trucks are tied up in long lines at the border waiting to get back. Neither DESC or PO wants to take the risk of trying to supplement the existing shortfall in drivers by going to the wider, potentially wildcat strike-sympathetic driver pool and more widely advertise Coco's location.

- 16. (C) Comment and Action Request: Embassy continues to closely monitor the situation. However, we are also taking care to keep an arms length distance from contract details or strike negotiations. And aside from asking local police in the southeast about reports of violence, we have not asked government officials to intervene. The Turkish contractors seem confident about their reading of the truckers' staying power. The unknown is the extent to which the strike leaders might go beyond threats to violence to enforce solidarity among the truckers. Embassy would appreciate Embassy Baghdad's read-out on SOMO's awareness of and concern about the strike. We would also appreciate an evaluation of the impact a continuing suspension of fuel shipments to Iraq will have on supplies for our troops and for the Iraqi population. End Comment and Action Request.
- 17. (U) Baghdad Minimize Considered.

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